

Sale Name: Spring Mountain Salvage

CT2.301# - CUTTING UNIT BOUNDARIES (09/2001)

The boundaries of cutting units are designated as shown in the following table. The trees used for boundary designation are not to be cut.

See Cutting Unit Boundary Designation Table

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CT2.356# - INDIVIDUAL TREES (LEAVE TREE MARKING) (09/2001)

Notwithstanding BT2.35, all live, dead and windthrown trees meeting utilization standards in AT2, in units shown as LTM on the Sale Area Map, are designated for cutting. Trees to be left uncut are marked above and below stump height as shown in the table below.

See Leave Tree Marking Table

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CT4.211 - DOWNPAYMENT (06/2007)

The downpayment amount shown in AT15 may not be applied toward any other payment required under the provisions of this contract, except damages determined pursuant to BT9.4, transferred to other timber sales, or refunded until (a) stumpage value representing 25 percent of the total bid value of the timber sale is shown on Timber Sale Account to have been cut, removed, and paid for, or (b) the estimated value remaining to be cut and removed, as shown on Timber Sale Account, is equal to or less than the amount of the downpayment, or (c) if 36 CFR 223.49(e) is applicable, the estimated value remaining to be cut and removed, as shown on Timber Sale Account, is equal to or less than the amount of the downpayment. For lump sum timber sales, the downpayment may be applied to payment for release of the single payment unit.

If Forest Service makes a determination that this contract should not have been included under increased downpayment requirements (36 CFR 223.49(e)), the downpayment shall be revised and applied in accordance with 36 CFR 223.49(f).

CT4.212 - TEMPORARY REDUCTION OF DOWNPAYMENT (08/2009)

Notwithstanding BT4.211 or CT4.211, upon the Purchaser's written request Forest Service may temporarily reduce the downpayment when Purchaser's scheduled operations are delayed or interrupted for 30 or more consecutive days, or the contract term is extended for 30 or more consecutive days for any of the following reasons:

(1) Forest Service requests or orders Purchaser to delay or interrupt scheduled operations for reasons other than breach;

(2) Purchaser interrupts or delays scheduled operations to work on a sale designated by the Forest Service as in urgent need of harvesting; or

(3) An adjustment of the contract term authorized upon a determination of substantial overriding public interest, including a market-related contract term addition, or an urgent removal contract term extension under 36 CFR 223.53.

When Purchaser is not cutting or removing timber under contract during a qualifying period of delay, interruption, or extension listed above the downpayment may be reduced to \$1000 or 2 percent of the downpayment amount stated in the contract, whichever is greater. The Purchaser must restore the downpayment to the full amount stated in the contract within 15 days from receipt of the bill for collection and written notice from the Contracting Officer that the basis for temporarily reducing the downpayment no longer exists. Purchaser shall not cut or remove timber on a contract where the downpayment has been temporarily reduced until the downpayment amount stated in the contract is fully restored.

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CT4.31# - BLANKET BOND (09/2001)

If Purchaser furnishes an acceptable bond or deposits securities, in accordance with BT4.3, to guarantee payment for timber from this and other timber sales within the same Contracting Zone, the amount of such bond or deposited securities shall be allocated to such sales by Forest Service. When there is to be no timber cutting hereunder for 30 calendar days or more and payment of current charges has been made, the allocation to this sale shall be reallocated to other sales at Purchaser's request, and Purchaser shall not start cutting hereunder until this sale receives an allocation which will, in combination with transferred-in Purchaser Credit, meet the obligation for payment guarantee.

A Contracting Zone as stated in this provision contains the following National Forests:

Contracting Zone	National Forests
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NZ	Bighorn National Forest
NZ	Medicine Bow-Routt National Forest
NZ	Arapaho/Roosevelt National Forest
NZ	Shoshone National Forest
NZ	White River National Forest

CT4.4 - PAYMENTS NOT RECEIVED (08/2012)

(a) Payments are due and payable on the date of issue indicated on the bill for collection. When a payment for timber cut and other charges is not received at the location designated by Forest Service by the date specified in the bill for collection, Contracting Officer will suspend all or any part of Purchaser's Operations until payment or acceptable payment guarantee is received. Other charges include, but are not limited to:

- (i) Slash disposal and road maintenance deposits;
- (ii) Cooperative work at rates established by specific agreement under BT4.218;
- (iii) Damages pursuant to BT9.4;
- (iv) Road use fees;
- (v) Restoration of downpayment pursuant to BT4.22;
- (vi) Periodic payments pursuant to BT4.213;
- (vii) Extension Deposits pursuant to BT4.217; and
- (viii) Other mandatory deposits.

(b) Failure to pay amounts due by the date specified in the bill for collection shall be considered a breach under BT9.3. The 30-day notice period prescribed therein shall begin to run as of the end of business on the date specified for receipt of payments. If the performance or payment is guaranteed by surety bond, the surety will receive a copy of the written notification of breach. Demand will be made on the surety or other institution providing the guarantee or bond instrument for immediate payment 10 days after issuance of written notification of the breach.

(c) Pursuant to the Debt Collection Improvement Act of 1996, as amended, if payment is not received by Forest Service within 15 days after the date of issue indicated on the bill for collection:

(i) Simple interest shall be assessed at the Current Value of Funds Rate as established by the Secretary of the Treasury. Interest will begin to accrue as of the date of issue indicated on the initial bill for collection.

(ii) Debtors will be assessed administrative charges, in addition to the delinquent amount due. Administrative charges are those additional costs incurred by the Government in processing, handling, and collecting delinquent debts.

(iii) A penalty charge of six (6) percent per annum will be assessed on any portion of a debt delinquent more than 90 days. This penalty charge is in addition to interest and administrative charges under paragraphs (c)(i) and (c)(ii). The penalty charge shall accrue from the date of issue indicated on the bill for collection and shall be assessed on all outstanding amounts, including interest and administrative costs assessed under paragraphs (c)(i) and (c)(ii).

(iv) Payments will be credited on the date received by the Federal Depository or Collection Officer designated on the bill for collection.

(d) Forest Service remedies for Purchaser's failure to make payment for timber cut and other charges when due, except for accrual of interest, suspension of all or any part of Purchaser's Operations, and administrative offset, shall be stayed for so long as:

- (i) A bona fide dispute exists as to Purchaser's obligation to make such payment and
- (ii) Purchaser files and prosecutes a timely Claim.

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CT5.12# - USE OF ROADS BY PURCHASER (06/1999)

Purchaser's use of existing roads identified on Sale Area Map by the following codes is prohibited or subject to restrictive limitations, unless agreed otherwise:

Code	Use Limitations
X	Hauling prohibited
R	Hauling restricted
U	Unsuitable for hauling prior to completion of agreed reconstruction
P	Use prohibited
A	Public use restriction
W	Regulation waiver

Roads coded A will be signed by the Forest Service to inform the public of use restrictions. Purchaser's use of roads coded R, A, or W shall be in accordance with the following restrictions:

See Restricted Road List Table.

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CT5.31# - ROAD MAINTENANCE REQUIREMENTS (07/2001)

Purchaser shall maintain roads in accordance with the following Contract Road Maintenance Requirements Summary:

See Contract Road Maintenance Requirements Summary Table.

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CT5.32# - ROAD MAINTENANCE DEPOSIT SCHEDULE (07/2001)

Other provisions herein notwithstanding, when Forest Service requests payment in lieu of Purchaser's performance of road maintenance, Purchaser shall make Required Deposits (16 USC 537) for current and/or deferred road maintenance. Such deposits are based on the estimated volume and distance hauled and Purchaser's commensurate use of each road listed in the Road Maintenance Plan in CT5.31#.

Purchaser and Forest Service may agree in writing on adjustment of such rates. If Purchaser uses roads under jurisdiction of Forest Service other than those listed in the Road Maintenance Plan, Forest Service shall establish rates commensurate with Purchaser's use of such roads.

The Required Deposits for Forest Service work in lieu of Purchaser performance and for deferred maintenance is: \$.57 per CCF.

The following table lists who Purchaser will make deposits for road maintenance to, and the rate per unit of measure of the deposit. The Road Maintenance Agreement is available for inspection at the Forest Supervisor's office.

Deposit Made To	Rate	Unit of Measure
<hr/>		
N/A		

CT5.34# - OBLITERATION OF TEMPORARY ROADS, SKID TRAILS AND LANDINGS (03/2002)

Unless otherwise agreed in writing, temporary roads, skid trails, and landings associated with the cutting unit(s) listed in the following table shall be obliterated using the method described below:

See Obliteration Table.

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CT5.36# - SNOW REMOVAL (09/2001)

Snow removal shall be done in a manner to preserve and protect the roads to insure safe and efficient transportation and to prevent unacceptable erosion damage to roads, streams, and adjacent lands.

A. Description. Snow removal work by Purchaser shall include:

1. Removal of snow from entire road surface width including turnouts.
2. Removal of snow slides, minor earth slides, fallen timber and boulders that obstruct normal road surface width including turnouts.
3. Maintain drainage so that the drainage system will function efficiently.

B. Performance. All items of snow removal shall be done currently as necessary to insure safe, efficient transportation. Work shall be done in accordance with the following minimum standards of performance.

1. Removal of material. All debris, except snow and ice, that is removed from the road surface and ditches shall be deposited away from stream channels at agreed locations.
2. During snow removal operations, banks shall not be undercut nor shall gravel or other selected surfacing material be bladed off the roadway surface.
3. Ditches and culverts shall be kept functional during and following roadway use.
4. Snow berms shall not be left on the road surface. Berms left on the shoulder of road shall be removed and/or drainage holes shall be opened and maintained. Drainage holes shall be spaced as required to obtain satisfactory surface drainage without discharge on erodible fills.
5. Dozers and skidders shall not be used to plow snow on system roads without written approval of Forest Service. Upon approval, dozers and skidders must be equipped with shoes or runners to keep the plow blade a minimum of 2 inches above the road surface unless specifically removed from the requirements in writing.
6. Snow must not be removed to the road surface. A minimum 2 inch depth must be left to protect the roadway.
7. Purchaser's damage from, or as a result of, snow removal shall be restored in a timely manner.

CT6.312# - SALE OPERATION RESTRICTIONS (04/2004)

Unless otherwise agreed to in writing, sale operations will be restricted as listed below:

See Sale Operation Restriction Schedule

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CT6.6# - EROSION PREVENTION AND CONTROL (11/1998)

A. Purchaser shall locate Temporary Roads on locations approved by the Forest Service. Such location shall include the marking of road centerline or grade-line and the setting of such construction stakes as are necessary to provide a suitable basis for economical construction and the protection of National Forest lands.

B. Skidding with tractors within 100 feet of live streams shall not be permitted except in places designated in advance by Forest Service, and in no event shall skid roads be located in live or intermittent streamcourses. Skid trails shall be located high enough out of draws, swales, and valley bottoms to permit diversion of runoff water to natural undisturbed forest ground cover.

C. Prior to periods of accelerated water runoff, especially during the spring runoff and periods of heavy rainfall, Purchaser shall inspect and open culverts and drainage structures, construct special cross ditches for road runoff, and take other reasonable measures needed to prevent soil erosion and siltation of streams.

D. Temporary Road surface width shall be limited to truck bunk width plus four (4) feet, except for needed turnouts which shall not exceed two (2) times the bunk width plus four (4) feet. If shovels or cranes with revolving carriage are used to skid or load, Temporary Road surface width equal to track width plus tail swing shall be permitted.

E. Unless otherwise agreed in writing, Purchaser shall keep erosion control work current with his operations under the sale and in any case not later than 15 days after completion of skidding on each payment unit or cutting unit.

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CT6.601# - EROSION CONTROL SEEDING (11/1998)

Following completion of skidding and yarding operations in an area, Purchaser shall seed and fertilize all exposed areas of raw soil as designated by the Forest Service on skid trails, landings, firebreaks, slides, slumps, Temporary Roads and traveled ways of Specified Roads N/A following closure specified in CT5.41#. Soil on areas to be seeded shall be left in a roughened condition favorable to the retention and germination of the seed. Scarification of traveled ways on Specified Roads listed above shall be to a minimum depth of 2 inches and a maximum depth of 4 inches.

Seed and fertilizer shall be spread evenly at the rate of 10 pounds of seed and N/A pounds of fertilizer per acre.

When fertilizer and seed are applied in separate operations, the second operation shall be carried out within 72 hours of the first.

Seeding shall be done during the period September 1st to October 31st and under the above specified conditions unless otherwise approved.

The kinds and amounts of seed to be sown in terms of pure live seed (PLS) shall be:

See Seed Application Table

All seed purchased will be certified to be free of the noxious weed seeds from weeds listed on the current "All States Noxious Weeds List." Test results from a certified seed analyst and seed analysis labels attached to the bags will be provided to the Forest Service.

The following kinds and amounts of standard commercial fertilizer shall be used with guaranteed analysis of contents clearly marked on containers:

See Fertilizer Application Table

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CT6.602# - PROTECTION OF DISTURBED AREAS FROM ESTABLISHMENT OF NOXIOUS WEEDS (11/1998)

In addition to the requirements of CT6.601#; Purchaser shall seed and fertilize areas where mineral soil is exposed as designated by the Forest Service.

Unless otherwise agreed to in writing, seeding shall be done in the early spring or fall during weather and moisture conditions favorable for quick germination and growth of the plants. Seeding shall be completed in a timely manner following the last disturbance activity by the purchaser in the disturbed area.

The Certified seed analysis reports from each container shall be provided by Purchaser to the Forest Service prior to application of the seed. Seed and fertilizer shall be spread evenly at the rate of 10 pounds of seed and N/A pounds of fertilizer per acre.

When fertilizer and seed are applied in separate operations, the second operation shall be carried out within 72 hours of the first operation.

When an adequate seedbed does not exist, Purchaser shall scarify to get a 2 inch loose soil seedbed, prior to seeding.

The kinds and amounts of seed to be sown in terms of pure live seed (PLS) shall be:

See Seed Application Table.

All seed purchased will be certified to be free of the noxious weed seeds from weeds listed on the current "All States Noxious Weeds List." Test results from a certified seed analyst and seed analysis labels attached to the bags will be provided to the Forest Service.

The following kinds and amounts of standard commercial fertilizer shall be used with guaranteed analysis of contents clearly marked on containers:

See Fertilizer Application Table.

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CT6.7# - SLASH TREATMENT (04/2003)

Slash is defined as logs, tops, limbs, and other woody material, exclusive of stumps, which is created by the logging operation and remaining on the ground after logging. In areas where Purchaser-created slash is intermingled and inseparable from pre-existing slash, slash disposal requirements shall apply to the pre-existing slash as well as the Purchaser-created slash. Such areas are designated in the Purchaser Slash Responsibility Table herein.

Slash created in the construction of Specified Roads shall not be considered as logging slash in this Section.

Unless otherwise agreed in writing, Purchaser shall perform the following work described below and/or as shown on the Sale Area Map and/or Slash Disposal Map.

Forest Service and Purchaser shall jointly develop a schedule for completion of slash treatment on the various portions of the sale area.

See Purchaser's Slash Responsibility Table

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CT6.72# - TEMPORARY ROAD CONSTRUCTION SLASH DISPOSAL (10/2001)

Slash treatment methods of Temporary Road slash shall be agreed to in writing prior to construction. Temporary Road slash shall be treated in accordance with the following:

A. All timber within the road clearing limits which contains a product meeting the minimum piece specifications stated in AT2 shall be felled (not pushed over) and bucked in advance of road construction. All timber shall be felled within the clearing limits whenever it is feasible to do so.

B. Timber within the clearing limits not meeting minimum piece specifications in AT2 and other debris from the clearing and grubbing operations more than 5 inches in diameter and 6.5 feet in length shall either be (a) utilized and removed from Sale Area, (b) burned within the right-of-way, (c) removed to designated locations shown on Sale Area Map for burying or later burning, (d) buried, (e) processed through a chipping machine, (f) scattered in such a manner as to avoid concentrations of slash and without damaging other trees or resource values, (g) windrowed (h) decked, or (i) a combination thereof.

C. All material to be treated or disposed of shall be bucked into lengths not to exceed 6 feet before being piled or buried.

D. If debris is to be burned, burning shall be complete and shall be done at such times and in a manner approved in writing by Forest Service. Residual construction slash from burning shall be buried, scattered or removed to agreed locations.

E. Debris to be buried shall be placed in prepared holes, benches, or trenches at agreed locations and covered with not less than N/A feet of native soil or rock. Slash and debris may be buried in the roadway providing hauling can be supported and providing there is little probability or hazard of slope failure.

F. If debris is to be chipped, the chips shall be spread over the surface of the ground in such a manner that their loose depth does not exceed N/A inches. Chips may be mixed with soil within roadway.

G. Slash and debris may be scattered in those situations where the volume of slash or residual slash is relatively light and the adjacent stands of timber are sufficiently open to accommodate the scattering without damage.

H. When slash is to be windrowed, the windrow area shall be cleared. Windrows shall be placed parallel to and along the embankment toe. Windrows shall not be placed against trees.

I. If material is decked, logs not meeting Utilization Standards that are N/A inches or more in diameter shall be bucked into lengths not to exceed N/A feet and piled at agreed locations.

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CT6.8# - MEASURING (09/2003)

The estimated quantity of timber in AT2 has been determined by standard procedures described in FSH 2409.12, Timber Cruising Handbook.

The following table describes the type of cruising method used to determine quantities:

See Cruising Method Table

Estimated quantities of timber subsequently included under BT2.13, BT2.14, BT2.31, BT2.32, BT2.33, BT2.34, BT2.35 or BT2.37 not previously measured will be determined using standard cruise methods as described in FSH 2409.12, Timber Cruising Handbook, or, if attached, using the Additional Volume Calculation Table based on information generated from the timber sale cruise.

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CT6.81# - ACCOUNTABILITY (04/2003)

The following requirements are applicable to Product Removal Permits:

1. Forest Service will issue to Purchaser or designated representative(s) serially numbered Product Removal Permit books for use only on this sale. Product Removal Permit books, whether used or unused, shall be accountable property of Forest Service and shall be returned to issuing Forest Service Office in accordance with instructions contained in each book. Each book which is not returned to the Forest Service will be considered a lost book and liquidated damages of \$100 will be assessed.
2. Purchaser shall require all permits be completed in accordance with the instructions contained on the inside cover of each book.
3. Each load will have the last three digits of the load receipt number painted on both ends of three logs with black paint. All loads that consist of a truck and pup(s) must have the last three digits of the load receipt painted on both ends of three logs on all subunits of the combination.

Purchaser shall require vehicles hauling Included Products to stop at agreed upon locations for purposes of monitoring accountability. The parties shall agree upon the haul route prior to operations.

CT7.2 - FIRE PRECAUTIONS (09/1993)

1. Smoking and Lunch Fires. Smoking is prohibited except inside a building, developed recreation site, vehicles, or while seated in an area of at least three feet in diameter that is barren or cleared of all flammable materials. 36 CFR 261.52(d).

The building of camp, lunch, warming and other fires within the sale area and vicinity is prohibited, except at established camps or at other safe places where all flammable material has been cleared away sufficiently to prevent the start and spread of wildfires. Forest Service may, upon request of purchaser, designate specific places where campfires may be built for purposes of heating lunches.

2. Spark Arrester and Mufflers. Notwithstanding BT7.2, operating or using any internal combustion engine, on any timber, brush, or grass covered land, including trails and roads traversing such land, without a spark arrester, maintained in effective working order, meeting either (I) Department of Agriculture, Forest Service standard 5100, "SPARK ARRESTERS FOR INTERNAL COMBUSTION ENGINES," (current edition); or (II) the Society of Automotive Engineers (SAE) Recommended Practices J335, "MULTIPOSITION SMALL ENGINE EXHAUST SYSTEM FIRE IGNITION SUPPRESSION," (current version) and J350, 36 CFR 261.52(j) is prohibited.

Passenger carrying vehicles, pickups, medium and large highway trucks (80,000 GVW) will be equipped with a factory designed muffler system which is specified for the make and model of the respective vehicle/truck or with a muffler system that is equivalent or that exceeds factory specifications.

Exhaust systems shall be properly installed and continually maintained in serviceable condition.

3. Fire Extinguishers and Tools on Equipment. While in use, each internal combustion engine including tractors, trucks, yarders, loaders, welders, generators, stationary engines, or comparable powered equipment shall be provided with at least the following:

(a) One fire extinguisher, at least 5#ABC with an Underwriters Laboratory (UL) rating of 3A - 40BC, or greater.

(b) One shovel, sharp, size 0 or larger, round-pointed with an overall length of at least 48 inches.

(c) One axe, sharp, double bit 3-1/2#, or one sharp pulaski.

Extinguishers, shovels, axes, and pulaskis shall be mounted so as to be readily available from the ground. All tools shall be maintained in a serviceable condition.

4. Power Saws. Each gasoline engine power saw shall be provided with one chemical-pressurized fire extinguisher of not less than 8-ounce capacity by weight, and one size 0 or larger, round-pointed shovel with an overall length of at least 48 inches. The extinguisher and shovel shall be maintained in good working order. The extinguisher shall be with the power saw operator and immediately available for use at all times. The extinguisher shall not be affixed to the saw. The shovel shall be readily available to the operator of the saw at all times. Having the shovel with the gas can used to refuel the saw may be considered "readily available" if not more than 200 feet from the saw. During periods of critical fire danger, Forest Service may prescribe other precautionary measures.

Any fueling or refueling of a power saw shall be done in area which has first been cleared of material which will carry fire. The power saw shall be moved at least 10 feet from the place of fueling or refueling before starting.

5. Blasting and Welding. The use of fuses in blasting shall not be permitted except near power lines where the danger of accidental detonation is present, and then only by special written permission of Forest Service. Whenever the relative humidity falls below 50 percent, Purchaser shall place a watchman at each point where blasting is done who shall remain on duty for at least one hour after blasting is finished, and

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who shall be equipped with shovel and a water-filled backpack can equipped with a hand pump. During periods when the relative humidity falls below 20 percent, blasting shall be discontinued unless authorized, with special provisions, in writing by Forest Service. Blasting shall not be permitted in any area not cleared to mineral soil without advance written approval of Forest Service and with such special precautions as may be required.

Prima cord shall not be used in clearing operations, and in other areas where timber has been felled and slash not burned.

Unless otherwise directed in writing by Forest Service, all flammable material shall be cleared for 10 feet around any piece of equipment being welded. In addition, Purchaser shall provide a fire extinguisher of a size and type designed to extinguish a fire in the flammable materials surrounding the spot being welded.

In order to determine the relative humidity, Purchase shall either (a) provide and maintain weather instruments, that will measure relative humidity, in the area where blasting will occur; or (b) provide communications to obtain weather data from Forest Service.

Explosives shall be stored at all times in a locked box marked "Explosives". Powder and blasting caps shall be stored in separate boxes.

6. Storage of Flammables. Gasoline, oil, grease and other highly flammable material shall be stored either in a separate building, or at a site where all debris is cleared within a radius of 25 feet. Storage buildings or sites shall be a minimum distance of 50 feet from other structures. Storage buildings shall be adequately posted to warn of the flammables and to prohibit smoking in or around the building.

7. Camp Fire Protection. The grounds around all trailers, buildings, other facilities constructed or placed on or near Sale Area under BT6.2 shall be kept free of flammable material for a distance of at least 20 feet from the wall of such structure. Burning of such flammable material shall be as prescribed by Forest Service in writing.

Stovepipes of all wood burning stoves shall be equipped with suitable roof jacks and serviceable spark arresters. Stovepipes shall be no closer than 2 feet from any wood or other flammables unless adequately protected from by metal or asbestos shields.

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CT8.212 - MARKET-RELATED CONTRACT TERM ADDITION (11/2008)

The term of this contract may be adjusted when a drastic reduction in wood product prices has occurred in accordance with 36 CFR 223.52. The Producer Price Index used to determine when a drastic reduction in price has occurred is stated in AT17. Purchaser will be notified whenever the Chief determines that a drastic reduction in wood product prices has occurred. If the drastic reduction criteria specified in 36 CFR 223.52 are met for 2 consecutive calendar quarters, after contract award date, Contracting Officer will add 1 year to the contract term, upon Purchaser's written request. For each additional consecutive quarter such a drastic reduction occurs, Contracting Officer will, upon written request, add an additional 3 months to the term during Normal Operating Season, except that no single 3-month addition shall extend the term of the contract by more than one year. Contracting Officer must receive Purchaser's written request for a market-related contract term addition before the expiration of this contract.

No more than 3 years shall be added to a contract's term by market-related contract term addition unless the following conditions are met:

(i) The sale was awarded after December 31, 2006; and

(ii) A drastic reduction in wood product prices occurred in at least ten of twelve consecutive quarters during the contract term, but not including the quarter in which the contract was awarded.

For each qualifying quarter meeting the criteria in paragraphs (i) and (ii) of this provision, the Forest Service will, upon the Purchaser's written request, add an additional 3 months during the normal operating season to the contract, except no single 3-month addition shall extend the term of a contract by more than 1 year.

In no event shall a revised contract term exceed 10 years as a result of market-related contract term addition.

Additional contract time may not be granted for those portions of the contract that have a required completion date or for those portions of the contract where Contracting Officer determines that the timber is in need of urgent removal or that timber deterioration or resource damage may result from delay.

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CT8.66# (Option 1) - USE OF TIMBER (04/2004)

(a) This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 USC 620, et seq.).

(b) Except for n/a determined pursuant to public hearing to be surplus, unprocessed Included Timber shall not be exported from the United States nor used in direct or indirect substitution for unprocessed timber exported from private lands by Purchaser or any person as defined in the Act (16 USC 620e).

(c) Timber in the following form will be considered unprocessed:

(i) Trees or portions of trees or other roundwood not processed to standards and specifications suitable for end product use;

(ii) Lumber, construction timbers, or cants intended for remanufacturing not meeting standards defined in the Act (16 USC 620e); and

(iii) Aspen or other pulpwood bolts exceeding 100 inches in length.

(d) Unless otherwise agreed in writing, unprocessed Included Timber shall be delivered to a domestic processing facility and shall not be mixed with logs intended for export.

(e) Prior to award, during the life of this contract, and for a period of 3 years from Termination Date, Purchaser shall furnish to Forest Service, upon request, records showing the volume and geographic origin of unprocessed timber from private lands exported or sold for export by Purchaser or affiliates.

(f) Prior to delivering unprocessed Included Timber to another party, Purchaser shall require each buyer, exchangee, or recipient to execute an acceptable agreement that will:

(i) Identify the Federal origin of the timber;

(ii) Specify domestic processing for the timber involved;

(iii) Require the execution of such agreements between the parties to any subsequent transactions involving the timber;

(iv) Require that all hammer brands and/or yellow paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable; and

(v) Otherwise comply with the requirements of the Act (16 USC 620d).

(g) No later than 10 days following the execution of any such agreement between Purchaser and another party, Purchaser shall furnish to Forest Service a copy of each such agreement. Purchaser shall retain, for 3 years from Termination Date, the records of all sales, exchanges, or dispositions of all Included Timber.

(h) Upon request, all records dealing with origin and disposition of Included Timber shall be made available to Contracting Officer.

(i) For breach of this Subsection, Forest Service may terminate this contract and take such other action as may be provided by statute or regulation, including the imposition of penalties. When terminated by Forest Service under this Subsection, Forest Service will not be liable for any Claim submitted by Purchaser relating to the termination.